

ACCOUNTING I

Accounting I is a business course that introduces the language of business using Generally Accepted Accounting Principles (GAAP) and procedures for proprietorships and partnerships using double-entry accounting. Emphasis is placed on accounting principles as they relate to both manual and automated financial systems. This course involves understanding, analyzing, and recording business transactions and preparing, analyzing, and interpreting financial reports as a basis for decision making. Instructional strategies should include the use of computers, projects, simulations, case studies, and business experiences requiring the application of accounting theories and principles.

- DOE Code: 4524
- Recommended Grade Level: 10-12
- Recommended Prerequisites: Business Foundations, Computer Applications, Algebra I
- Credits: A two-credit course over two semesters
- Counts as a Directed Elective or Elective for the General, Core 40, Core 40 with Academic Honors and Core 40 with Technical Honors diplomas
- One of the courses specified in the sequence of courses for all Career Clusters and all of Indiana's College and Career Pathway Plans
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Content Standards Checklist

Standard 1 – Accounting Cycle

1.0 Students understand and apply the various steps of the accounting cycle and comprehend the purpose of each step..

- ___ AC1-1.1 Define accounting and explain the purpose of the accounting system.
- ___ AC1-1.2 Explain the importance of following Generally Accepted Accounting Principles (GAAP) and interpret the standards correctly.
- ___ AC1-1.3 Demonstrate a working knowledge of the fundamental accounting equation.
- ___ AC1-1.4 Discuss the purpose of the elements of financial statements: assets, liabilities, contributions by owners, distributions to owners, equity, revenues, expenses, gains, and losses.
- ___ AC1-1.5 Identify a variety of source documents.
- ___ AC1-1.6 Analyze business transactions using source documents and interpret their effect on the accounting equation.
- ___ AC1-1.7 Explain the double-entry system of accounting and demonstrate the applications of the debit and credit rules when recording and analyzing business transactions.
- ___ AC1-1.8 Journalize business transactions using various journal formats.
- ___ AC1-1.9 Explain the purpose of a journal and its relationship to the ledger through postings.
- ___ AC1-1.10 Construct and maintain the chart of accounts.
- ___ AC1-1.11 Construct a worksheet and use it to prepare financial statements.
- ___ AC1-1.12 Prepare a trial balance and use it to determine necessary adjusting entries

- ___ AC1-1.13 Prepare financial statements in appropriate form and specify the purpose and relationship of each statement.
- ___ AC1-1.14 Describe the purpose of the closing process and prepare closing entries and the post-closing trial balance.
- ___ AC1-1.15 Demonstrate the use of and describe the differences between manual and computerized accounting systems.

Standard 2 – Accounting Process

2.0 Students use Generally Accepted Accounting Principles (GAAP) to determine the value of assets, liabilities, owner's equity, revenues, and expenses.

- ___ AC1-2.1 Identify assets and their effect on financial statements.
- ___ AC1-2.2 Specify the importance of internal cash control and banking activities and demonstrate their use.
- ___ AC1-2.3 Explain the use of and maintain the accounts receivable subsidiary ledger.
- ___ AC1-2.4 Compare, contrast and evaluate inventory concepts and apply these concepts and procedures to a merchandising business.
- ___ AC1-2.5 Demonstrate the use of and describe the differences between manual and computerized accounting systems for assets.
- ___ AC1-2.6 Identify liabilities and their effect on financial statements.
- ___ AC1-2.7 Explain the use of and maintain the accounts payable subsidiary ledger.
- ___ AC1-2.8 Demonstrate the use of and describe the differences between manual and computerized accounting systems for liabilities.
- ___ AC1-2.9 Identify the components of owner's equity and their effect on financial statements.
- ___ AC1-2.10 Discuss the purpose of capital and drawing accounts for sole proprietorships and partnerships.
- ___ AC1-2.11 Demonstrate the use of and describe the differences between manual and computerized accounting systems for owner's equity.
- ___ AC1-2.12 Identify revenues and their effect on financial statements.
- ___ AC1-2.13 Demonstrate the use of and describe the differences between manual and computerized accounting systems for revenues.
- ___ AC1-2.14 Identify expenses and their effect on financial statements.
- ___ AC1-2.15 Demonstrate the use of and describe the differences between manual and computerized accounting systems for expenses.

Standard 3 – Financial Statements

3.0 Students interpret and analyze financial statements.

- ___ AC1-3.1 Analyze the income statement, owner's equity statement, and balance sheet of a business.
- ___ AC1-3.2 Analyze the financial condition of the business through the use of ratios, charts, and graphs.
- ___ AC1-3.3 Discuss the importance of high ethical standards in the preparation of financial statements.
- ___ AC1-3.4 Use Generally Accepted Accounting Principles (GAAP) to apply the revenue realization and matching principles in the preparation of financial statements.
- ___ AC1-3.5 Calculate the cost of goods sold and gross profit.
- ___ AC1-3.6 Identify the impact of the cost of goods sold and gross profit components to the

business enterprise.

- ___ AC1-3.7 Demonstrate the use of and describe the differences between manual and computerized accounting systems for financial statements.

Standard 4 - Special Topics

4.0 Students apply Generally Accepted Accounting Principles (GAAP) to various forms of ownership and payroll.

- ___ AC1-4.1 Compare and contrast the advantages and disadvantages of the three forms of business ownership—sole proprietorships, partnerships, and corporations.
- ___ AC1-4.2 Explain the importance of payroll as a business expense.
- ___ AC1-4.3 Calculate and maintain employee payroll records.
- ___ AC1-4.4 Discuss the importance of current issues in human resources and payroll for a business enterprise.
- ___ AC1-4.5 Demonstrate the use of and describe the differences between manual and computerized accounting systems for payroll.

Standard 5 – Interpretation and Use of Data

5.0 Students use appropriate data to evaluate the performance of an organization.

- ___ AC1-5.1 Interpret and evaluate financial statements to make sound business decisions.
- ___ AC1-5.2 Interpret and evaluate industry trends and other relevant data to make sound business decisions.

Standard 6 – Communication

6.0 Students investigate and learn about the various career opportunities available in the accounting and CPA professions and discover how accounting relates to all career fields. Students read, interpret, and report financial information.

- ___ AC1-6.1 Discuss the employment opportunities and job responsibilities in business, industry, public practice, government, education, and not-for-profit professions.
- ___ AC1-6.2 Discuss the state and national educational and licensing requirements for careers in the business and finance professions.
- ___ AC1-6.3 Read and interpret financial statements.
- ___ AC1-6.4 Write summaries of financial decisions.
- ___ AC1-6.5 Present summaries for decisions.
- ___ AC1-6.6 Use appropriate industry terminology.

Common Core Literacy for Technical Subjects Standards Checklist

Reading Standards for Literacy in Technical Subjects 9-10

The standards below begin at grade 9 and define what students should understand and be able to do by the end of grade 10. The CCR anchor standards and high school standards in literacy work in tandem to define college and career readiness expectations – the former providing broad standards, the latter providing additional specificity.

Key Ideas and Details

- ___ 9-10.RT.1 Cite specific textual evidence to support analysis of technical texts, attending to the precise details of explanations or descriptions.
- ___ 9-10.RT.2 Determine the central ideas or conclusions of a text; trace the text's explanation or depiction of a complex process, phenomenon, or concept; provide an accurate summary of the text.
- ___ 9-10.RT.3 Follow precisely a complex multistep procedure when performing technical tasks, attending to special cases or exceptions defined in the text.

Craft and Structure

- ___ 9-10.RT.4 Determine the meaning of symbols, key terms, and other domain-specific words and phrases as they are used in a specific scientific context relevant to *grades 9-10 texts and topics*.
- ___ 9-10.RT.5 Analyze the structure of the relationships among concepts in a text, including relationships among key terms (e.g., *force*, *friction*, *reaction force*, *energy*).
- ___ 9-10.RT.6 Analyze the author's purpose in providing an explanation, describing a procedure, or discussing an experiment in a text, defining the question the author seeks to address.

Integration of Knowledge and Idea

- ___ 9-10.RT.7 Translate technical information expressed in words in a text into visual form (e.g., a table or chart) and translate information expressed visually or mathematically (e.g., in an equation) into words.
- ___ 9-10.RT.8 Assess the extent to which the reasoning and evidence in a text support the author's claim or a recommendation for solving a technical problem.
- ___ 9-10.RT.9 Compare and contrast findings presented in a text to those from other sources (including their own experiments), noting when the findings support or contradict previous explanations or accounts.

Range of Reading and Level of Text Complexity

- ___ 9-10.RT.10 By the end of grade 10, read and comprehend science texts in the grades 9-10 text complexity band independently and proficiently

Writing Standards for Literacy in Technical Subjects 9-10

The standards below begin at grade 9 and define what students should understand and be able to do by the end of grade 10. The CCR anchor standards and high school standards in literacy work in tandem to define college and career readiness expectations – the former providing broad standards, the latter providing additional specificity.

Text Types and Purposes

- ___ 9-10.WT.1 Write arguments focused on *discipline-specific content*.
- ___ 9-10.WT.2 Write informative/explanatory texts, including technical processes.
- ___ 9-10.WT.3 Students must be able to write precise enough descriptions of the step-by-step procedures they use in their technical work that others can replicate them and (possibly) reach the same results.

Production and Distribution of Writing

- ___ 9-10.WT.4 Produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience.
- ___ 9-10.WT.5 Develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach, focusing on addressing what is most significant for a specific purpose and audience.
- ___ 9-10.WT.6 Use technology, including the Internet, to produce, publish, and update individual or shared writing products, taking advantage of technology's capacity to link to other information and to display information flexibly and dynamically.

Integration of Knowledge and Idea

- ___ 9-10.WT.7 Conduct short as well as more sustained research projects to answer a question (including a self-generated question) or solve a problem; narrow or broaden the inquiry when appropriate; synthesize multiple sources on the subject, demonstrating understanding of the subject under investigation.
- ___ 9-10.WT.8 Gather relevant information from multiple authoritative print and digital sources, using advanced searches effectively; assess the usefulness of each source in answering the research question; integrate information into the text selectively to maintain the flow of ideas, avoiding plagiarism and following a standard format for citation
- ___ 9-10.WT.9 Draw evidence from informational texts to support analysis, reflection, and research.

Range of Reading and Level of Text Complexity

- ___ 9-10.WT.10 Write routinely over extended time frames (time for reflection and revision) and shorter time frames (a single sitting or a day or two) for a range of discipline-specific tasks, purposes, and audiences.